

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4230-08
Bill No.: Truly Agreed To and Finally Passed SS for SCS for SB 793
Subject: Abortion; Department of Health and Senior Services
Type: Original
Date: June 2, 2010

Bill Summary: This legislation modifies provisions relating to abortion.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
General Revenue	(Could exceed \$747,324)	(Could exceed \$889,376)	(Could exceed \$913,057)
Total Estimated Net Effect on General Revenue Fund	(Could exceed \$747,324)	(Could exceed \$889,376)	(Could exceed \$913,057)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 10 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on FTE	0	0	0

☒ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Sections 188.027, 188.039, 334.245 and 376.805:

Officials from the **Department of Insurance, Financial Institutions and Professional Registration, Department of Social Services, Missouri State Highway Patrol, Department of Conservation, Department of Highways and Transportation, Missouri Consolidated Health Care Plan, Office of Prosecution Services** and the **Office of Administration-Administrative Hearing Commission** each assume the proposal would have no fiscal impact on their respective agencies.

In response to a previous version of this proposal, officials from the **Office of the State Public Defender** assume the proposal would have no fiscal impact on their agency.

In response to a previous version of this proposal, officials from the **Department of Public Safety** assumes that Missouri Consolidated Health Care Plan will respond regarding any costs related to the insurance provisions of this proposal.

In response to a previous version of this proposal, officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

ASSUMPTION (continued)

Officials from the **Office of the Attorney General (AGO)** assumes that any potential costs resulting from implementation of this proposal could be absorbed with existing resources. However, because this proposal has the potential to be the subject of state and federal litigation, AGO assumes that costs of the proposal are unknown.

Oversight assumes, because the potential for litigation is speculative, that the AGO will not incur significant costs related to this proposal. If a fiscal impact were to result, the AGO may request additional funding through the appropriations process.

Officials from the **Department of Corrections (DOC)** state the DOC, cannot predict the number of new commitments which may result from the creation of the offense(s) outlined in this proposal. An increase in commitments depends on the utilization by prosecutors and the actual sentences imposed by the court.

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in direct offender cost either through incarceration (FY09 average of \$16.04 per offender, per day, or an annual cost of \$5,855 per inmate) or through supervision provided by the Board of Probation and Parole (FY09 average of \$3.71 per offender, per day or an annual cost of \$1,354 per offender).

In summary, supervision by the DOC through probation or incarceration would result in additional unknown costs to the Department. Eighteen (18) persons would have to be incarcerated per fiscal year to exceed \$100,000 annually. Due to the narrow scope of this new crime, it is assumed the impact would be less than \$100,000 per year for the DOC.

Officials from the **Department of Health and Senior Services (DHSS)** state the following:

Section 188.027.1 :

DHSS is to provide printed materials to the licensed physician performing the abortion describing the "probable anatomical and physiological characteristics of the unborn child at two-week gestational increments from conception to full term....".

In calendar year 2008, there were 11,580 resident abortions performed in Missouri. Since the Department has no way of determining exactly how many abortions will be conducted at each facility each year, it is assumed extra materials will need to be produced and provided to each facility. The Department assumed pamphlets/brochures for at least two times the number of

ASSUMPTION (continued)

2008 abortions ($11,580 \times 2 = 23,160$, rounded up to 23,200) will need to be printed or purchased and distributed. Pamphlets titled "Life Unto Life" are available through Childbirth Graphics for \$1.60 each. An estimated \$37,120 ($23,200 \times \1.60) would be needed to purchase 23,200 copies.

Section 188.027.1(3):

Requires DHSS to provide the physician with printed materials describing the various methods of abortion relevant to the stage of pregnancy, as well as any medical risks associated with each method. Subdivision (5) requires information be provided on the possibility of the procedure causing pain to a fetus of at least 22 weeks gestation. All of this information will be provided in one informational sheet listing the types of abortions as well as the side effects. This will result in a cost of \$2,320 ($23,200 \times \0.10).

Section 188.027.1(4):

States, "The woman shall be provided with a geographically indexed list maintained by the Department of Health and Senior Services of health care providers, facilities, and clinics that perform ultrasounds, including those that offer ultrasounds free of charge." The Department does not currently maintain information regarding ultrasound providers and is unaware of any licensing requirements for them. Therefore it is questionable whether there is currently a way to gather this information comprehensively. The cost of collecting and providing this information is unknown.

Section 188.027.1 (6)(b):

At least 24 hours prior to the procedure, the treating physician is required to explain the services available through the Missouri Alternatives to Abortion Program as well as any other programs and services available to pregnant women and mothers of newborn children that are offered by public and private agencies. This could potentially increase the number of referrals and the amount of services provided through the Alternatives to Abortion Program.

In 2008, there were 11,580 resident abortions performed in Missouri. The cost per client per year for the Alternatives to Abortion program in 2009 was \$725.98. Currently the program provides services only to women 200 percent of the federal poverty level or below. According to the 2008 American Community Survey conducted by the U.S. Census, 34 percent of Missouri women 15 years to 50 years or older are at 200 percent of the federal poverty level. Based on this assumption 3,937 ($11,580 \times 0.34$) women would be eligible for services provided through the

ASSUMPTION (continued)

Alternatives to Abortion program. Cost for services for an additional 3,937 women would be \$2,858,183 ($3,937 \times \725.98).

The Department is unable to project how many of the estimated women eligible for the program would actually seek services. This program is not considered an entitlement program and participation in the program is subject to available funding. Additional program participants may result in DHSS requesting additional funding for the program. Therefore, the estimated fiscal impact for this portion is estimated to range between \$0 and \$2,858,183.

Section 188.027.1(7):

DHSS is required to provide printed materials explaining the legal duties and obligations of the father of the unborn child. These brochures are available through the Department of Social Services at no cost for distribution.

Section 188.027.3:

Requires the physician to provide the woman with a checklist form stating that she has been presented all the information required. This checklist is to be provided by DHSS. The cost for 23,200 pre-abortion checklists is \$580 ($23,200 \times \0.025 each).

Section 188.027.10:

Requires the Department to make all of the information provided to the physicians available to the public through the DHSS website, as well as maintain a toll-free twenty-four hour hotline where a caller can obtain information on a regional level concerning the agencies and services described in subsection 1. Information is currently available on the DHSS website under "Alternatives to Abortion" and "Unplanned Pregnancies". The Department currently operates a toll-free 24 hour hotline that provides information on the agencies providing alternatives to abortion services regionally at a cost of \$875 per month for 25 calls and an additional \$4.00 per call for calls over 25. The Department estimates an additional 375 calls per year over the 25 maximum. The Department estimates the cost to be \$12,000 per year ($12 \text{ months} \times \$875 = \$10,500$ plus $375 \text{ calls} \times \$4.00 = \$1,500$ for extra calls over 25 per month for a total of \$12,000).

The Department assumes that twelve months of funding will be needed for the cost of pamphlets and checklists; however, the estimated cost of services remains at ten months.

ASSUMPTION (continued)

Oversight assumes 100% of eligibles would not participate in the program. DHSS assumed a range of \$0 and \$2,858,183 for the fiscal impact. For fiscal note purposes only, Oversight has assumed 1 out of every 4 women would participate {\$714,364 = \$725.98 X 984 (3,937 X 25%)}

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
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GENERAL REVENUE FUND

Costs - Department of Corrections

Incarceration/probation costs	<u>(Less than \$100,000)</u>	<u>(Less than \$100,000)</u>	<u>(Less than \$100,000)</u>
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Costs - Department of Health and Senior Services

Fetal Development Charts	(\$37,120)	(\$38,234)	(\$39,381)
Type of Abortion Fact Sheet	(\$2,320)	(\$2,390)	(\$2,461)
Ultrasound Provider List	(Unknown)	(Unknown)	(Unknown)
Alternatives to Abortion Services	(Could exceed \$595,304)	(Could exceed \$735,795)	(Could exceed \$757,869)
Pre-Abortion Checklists	(\$580)	(\$597)	(\$615)
24-Hour Hot Line	<u>(\$12,000)</u>	<u>(\$12,360)</u>	<u>(\$12,731)</u>
<u>Total Costs - DHSS</u>	<u>(Could exceed \$647,324)</u>	<u>(Could exceed \$789,376)</u>	<u>(Could exceed \$813,057)</u>

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(Could exceed \$747,324)</u>	<u>(Could exceed \$889,376)</u>	<u>(Could exceed \$913,057)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

The proposed legislation may require increased regulation relating to facilities that provide abortions and physician who provide chemical abortions. This could lead to additional costs for these facilities.

FISCAL DESCRIPTION

Sections 188.027, 188.039, 334.245 and 376.805:

This legislation modifies the informed consent requirements for an abortion by adding new requirements to be obtained at least twenty-four hours prior to an abortion. Some of the new requirements include the physician who is to perform or induce the abortion or a qualified professional presenting to the pregnant woman various new printed materials to be developed by the Department of Health and Senior Services by November 30, 2010, detailing the risks of an abortion and the physiological characteristics of an unborn child at two-week gestational increments. The woman must also be provided with the gestational age of the unborn child at the time the abortion is to be performed and must be given an opportunity to view, at least 24 hours prior to an abortion, an active ultrasound of the unborn child and hear the heartbeat of the unborn child, if the heartbeat is audible. Prior to an abortion being performed past twenty-two weeks gestational age, the woman must be provided information regarding the possibility of the abortion causing pain to the unborn child.

In addition to the written informed consent, the legislation requires the physician or a qualified professional to discuss the medical assistance and counseling resources available, advise the woman of the father's liability for child support, and provide information about the Alternatives to Abortion Program. All information required to be provided to a woman shall be presented to her individually in the physical presence of the woman. The abortion cannot be performed until the woman certifies in writing on a checklist form that she has been presented all the required information and that she has been given the opportunity to view an ultrasound, and to choose to have an anesthetic or analgesic administered to the unborn child.

This legislation requires the physician or qualified professional to provide the woman with access to a telephone and information about rape crisis centers, domestic violence shelters and obtaining orders of protection should the physician have reason to believe the woman is being coerced into having an abortion.

This legislation also amends the current informed consent provision, Section 188.039, by providing that informed consent may be obtained by the physician who is to perform or induce the abortion or a qualified professional.

FISCAL DESCRIPTION (continued)

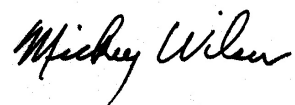
Notwithstanding any other provision in law allowing a person to provide services related to pregnancy, delivery and postpartum services, no person other than a licensed physician can perform or induce an abortion. Anyone violating the provision is guilty of a class B felony.

This legislation also modifies health insurance provisions relating to abortion. Under current law, health insurance policies are barred from providing coverage for elective abortions except through optional riders. This legislation extends this prohibition to health insurance policies offered through any health insurance exchange established in this state or any federal health insurance exchange administered within this state. In addition, no health insurance exchange operating within this state may offer coverage for elective abortions through the purchase of an optional rider.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Attorney General
Office of Administration-Administrative Hearing Commission
Department of Insurance, Financial Institutions and Professional Registration
Department of Corrections
Department of Health and Senior Services
Department of Social Services
Department of Public Safety
Office of the Secretary of State
Office of the State Public Defender
Missouri State Highway Patrol
Office of Prosecution Services
Department of Conservation
Department of Highways and Transportation
Missouri Consolidated Health Care Plan



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